Sustainability-related Product Disclosure

Information
Product Name: **Ostrum SRI Total Return Conservative** Legal Entity Identifier: **5493 00XJFU886LPPMT 78** SFDR Classification: **Article 8** Date of the document: **03/02/2025**

(a) Summary

1) Investment objective

The investment objective of Ostrum SRI Total Return Conservative (the "Sub-Fund") is to outperform the daily-capitalized €STR over its recommended minimum investment period of 3 years by more than 3.50% with a target 1-year volatility based on weekly data comprised between 3% and 5%.

The Sub-Fund is actively managed. The Sub-Fund's performance may be compared to the Reference Index. However, it does not aim to replicate that Reference Index and may therefore significantly deviate from it. The Reference Index + 3.50% can be used to determine the performance fee that will possibly be levied.

The Sub-Fund aims to benefit from the evolution of the equity, fixed income and global currency markets through an active, flexible and multi-asset class process.

The Reference Index does not intend to be consistent with the environmental or social characteristics promoted by the Sub-Fund.

2) Environmental or social characteristics

The Sub-Fund seeks to promote the environmental and social characteristics of maintaining a value weighted ESG score better than its "investment universe" (as defined below), maintaining a carbon footprint lower than that of its "investment universe" , and excluding companies that are considered as controversial and actively engaging with portfolio companies on ESG issues.

No reference benchmark has been designated for the purpose of attaining the E/S characteristics promoted by the Sub-Fund.

3) Investment strategy and proportion of investments

The Portfolio construction combines non-financial criteria through investment choices that are primarily guided by the application of ESG criteria and financial considerations – performance and volatility targets – through dynamic exposure management.

The purpose of the non-financial approach applied in the Sub-Fund is to prioritize financing of the most virtuous operators (corporate, sovereigns) in terms of global ESG issues, with a specific focus on climate impact.

The ESG investment strategy prioritizes investments that meet ESG criteria taken as a whole. However, special attention is paid to climate issues. Indeed, the adoption of proactive climate policies led by governments and supranational regulators, as well as the companies'

consideration of their impact and their ecosystem, are major factors whose analysis should permeate and drive decisions about financing and investing in economic activity. Lastly, inclusion of Governance-related criteria is a means of bolstering the portfolios ESG strategy, since companies and governments that enjoy quality governance are more inclined to prioritize climate issues in their strategies.

At least 90% of the portfolio's net assets (equities and debt securities issued by private and public issuers) undergo ESG analysis. For our methodology we use data provided by ESG rating agencies.

Shares in the portfolio are selected with the aim of gaining market exposure while meeting ESG criteria. For each asset class, the portfolio's construction is based on an exclusion policy and a so-called-“relative" approach.

The purpose of the exclusion policy is to limit the portfolio's exposure to risks that are deemed to be material.
It consists of reducing the investment universe based on ESG criteria. This step is based on compliance with fundamental non-financial principles and specifically on Investment Manager's “Exclusion Policy”, which can be viewed on the Investment Manager website at www.ostrum.com.

For this product, "investment universe" is defined by the MSCI World Index for equity investments and by the combination of a strategic universe (ICE Bank of America Global Sovereign Index) and a tactical diversification universe (ICE Bank of America EM Sovereign and EM External Debt Sovereign Indexes) for sovereign bond investments.

The purpose of the so-called "relative" approach is to prioritize top-rated securities and limit Iower-rated securities by including predefined ESG criteria in their weighting.
The target investment allocation is as follows:

- Global Equities: 40% of net assets in the portfolio
- Global Government Bonds 60% of net assets in the portfolio

Relative approach applied to Global Equities
The ESG issues considered and their impact on stock ratings may depend on the company's sector, geographic location and capitalisation size.

- Environmental (E) issues include, in particular, carbon emissions, waste treatment and water stress.
- Social (S) issues include, in particular, employee safety, human capital management, and compliance with international labour standards.
- Corporate governance (G) issues include, in particular, the composition of supervisory and governance bodies, and accounting practices.

The first non-financial objective of the so-called "score-improving" global equity investment strategy is to improve the overall ESG rating (by relying on an ESG risk indicator supplied by a non-financial rating agency) of the securities held as compared to the investment universe from which the Iowest-rated 20% of companies are excluded.
The purpose of the second "non-financial-indicator-improving" objective is to improve:

- A climate-related indicator:

This consists in improving the overall carbon intensity level (total carbon emissions of a company compared to its revenue) of the securities held, in comparison With the investment universe. Aggregated to the portfolio, the objective is to achieve an average carbon intensity level below that of its investment universe.

- A good governance-related indicator:

This consists in improving the overall independence level of the bodies governing the securities held, as compared to the investment universe. In other words, aggregated to the portfolio, having a higher average percentage of directors meeting independence criteria than the investment universe.

Relative approach applied to global sovereign bonds
The ESG issues considered, and their impact on how securities are rated, are related to the nature of their issuers (sovereign states).

- Environmental (E) factors include the analysis of energy and natural resource issues.
- Social responsibility (S) factors include criteria related to meeting basic needs, health, and fairness,
- Governance (G) factors include analysis of institutions, compliance with laws and civil rights, and political stability.

The number-one objective of the "non-financial-indicator-improving" sovereign bond investment strategy is to improve the overall ESG score of the securities held, compared to the investment universe filtered by the Investment Manager exclusion policy. This overall ESG rating is based on evaluations by an external service provider.

The second "non-financial-indicator-improving" objective is to improve climate risk measurement using a proprietary method. This measurement is based primarily on a carbon intensity analysis as well as the Governance quality of the sovereign issuers. The aim of the strategy is to improve this rating compared to the investment universe filtered by the Investment Manager exclusion policy.

The Sub-Fund is expected to invest at least 80% of its NAV in companies that qualify as aligned with E/S characteristics (Aligned with E/S characteristics).
The Sub-Fund is allowed to invest up to 20% of its NAV in cash, cash equivalents and/or hedging instruments (#2 Other). The Sub-Fund may include securities of issuers that are neither aligned with the Sub-Fund's E/S characteristics (but do meet the E/S safeguards defined in the UN Guiding Principles on Business and Human Rights).

4) Data sources, methodology and limitations

The data are sourced from different data providers such as Trucost, MSCI, Vigeo, Sustainalytics and SDG Index and are the integrated in the Ostrum IT Systems. The data are mainly estimated, and a few is directly sourced from issuers. The methodology could lead to an under-representation of certain sectors due to a poor ESG rating or through the sector exclusion policy. For the data, the limit is linked to the update of the data for the suppliers which may not reflect events occurring after the update and which may lead to a change in the data.

5) Due Diligence

The process is based on a review and a systematic validation of ESG criteria described in the documentation. For the SRI accredited funds, the validation carries on an internal document (SRI clause) and on the legal documentation of the fund. An external certifier officially validates the consideration of the SRI specifications of the accreditation and the legal documentation after having performed an audit when the accreditation is requested. For the non-accredited article 8 funds, it is carried on precontractual documents based on the information in the prospectus document. The Risk department is in charge of the right application of the ESG strategy and ensures a continuous control of the ESG constraints for the article 8 funds, accredited or not. They participate in SRI accreditation and annual audits to make sure the accreditation criteria are well considered.

6) Engagement strategy

Engagement activity is an integral part of Ostrum AM's responsible investment approach. Ostrum AM's engagement strategy aims to improve business practices from an environmental, social and governance perspective. Ostrum AM thus implements via its credit analysts and/or its managers the commitment at the individual level and at the collaborative level via the ESG Strategy team. Ostrum AM also engages with regulators to share its vision of sustainable investing in order to improve standards and regulations in the financial sector and foster sustainable investing.
You can find Ostrum AM's commitment policy by clicking on the following link: https://www.ostrum.com/en/our-engagement-policies

(b) No sustainable investment objective

Does this financial product have a sustainable investment objective?
No

What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?
Not applicable.

How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?
Not applicable.

How have the indicators for adverse impacts on sustainability factors been taken into account?
Not applicable.

How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights?
Not applicable.

(c) Environmental or social characteristics of the financial product

The Sub-Fund seeks to promote the environmental and social characteristics of maintaining a value weighted ESG score better than its “investment universe” (as defined below), maintaining a carbon footprint lower than that of its “investment universe” , and excluding companies that are considered as controversial and actively engaging with portfolio companies on ESG issues.

No reference benchmark has been designated for the purpose of attaining the E/S characteristics promoted by the Sub-Fund.

(d) Investment strategy

What investment strategy does this financial product follow?

The Portfolio construction combines non-financial criteria through investment choices that are primarily guided by the application of ESG criteria and financial considerations – performance and volatility targets – through dynamic exposure management.
The purpose of the non-financial approach applied in the Sub-Fund is to prioritize financing of the most virtuous operators (corporate, sovereigns) in terms of global ESG issues, with a specific focus on climate impact.

The ESG investment strategy prioritizes investments that meet ESG criteria taken as a whole. However, special attention is paid to climate issues. Indeed, the adoption of proactive climate policies led by governments and supranational regulators, as well as the companies' consideration of their impact and their ecosystem, are major factors whose analysis should permeate and drive decisions about financing and investing in economic activity. Lastly, inclusion of Governance-related criteria is a means of bolstering the portfolios ESG strategy, since companies and governments that enjoy quality governance are more inclined to prioritize climate issues in their strategies.

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Shares in the portfolio are selected with the aim of gaining market exposure while meeting ESG criteria. For each asset class, the portfolio's construction is based on an exclusion policy and a so-called-“relative" approach.

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The target investment allocation is as follows:

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The purpose of the second "non-financial-indicator-improving" objective is to improve:

- A climate-related indicator:

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The number-one objective of the "non-financial-indicator-improving" sovereign bond investment strategy is to improve the overall ESG score of the securities held, compared to the investment universe filtered by the Investment Manager exclusion policy. This overall ESG rating is based on evaluations by an external service provider.

The second "non-financial-indicator-improving" objective is to improve climate risk measurement using a proprietary method. This measurement is based primarily on a carbon intensity analysis as well as the Governance quality of the sovereign issuers. The aim of the strategy is to improve this rating compared to the investment universe filtered by the Investment Manager exclusion policy.

What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?

1) The Sub-Fund excludes issuers that violate the UN Global Compact principles on human rights, labour standards, environmental protection and anti- corruption.

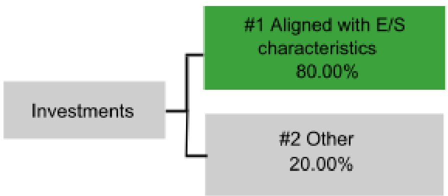
2) The Sub-Fund excludes issuers that generate more than 25% revenue from thermal coal, 10 % revenue from non-conventional fossil fuels or 25% revenue from palm oil and more than 0% revenue from tobacco or controversial weapons.
3) The Sub-Fund maintains an ESG score that is higher than the one of its investment universe.
4) The Sub-Fund maintains a carbon footprint, both in total greenhouse g as emissions (GHG scope 1,2, 3) and average carbon intensity, lower than that of its investment universe.
5) The Sub-Fund keeps an average percentage of board members of issuers of securities held who meet independence criteria higher than that of its investment universe.

What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?
Not applicable.

What is the policy to assess good governance practices of the investee companies?
The governance quality is assessed in particular by measuring the board responsibility.
Goverance quality is also followed through the Investment Manager active ownership policiy notably the proxy voting implementatation that deals with these topics such as voting principles for : shareholders right, goverance structure (director Nominees, gender responsibility independance, responsibility, climate responsability), executives remuneration.

(e) Proportion of investments

What is the asset allocation planned for this financial product?
The Sub-Fund is expected to invest at least 80% of its NAV in companies that qualify as aligned with E/S characteristics (Aligned with E/S characteristics).
The Sub-Fund is allowed to invest up to 20% of its NAV in cash, cash equivalents and/or hedging instruments (#2 Other). The Sub-Fund may include securities of issuers that are neither aligned with the Sub-Fund's E/S characteristics (but do meet the E/S safeguards defined in the UN Guiding Principles on Business and Human Rights).



#1 Aligned with E/S characteristics includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product.

#2 Other includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments

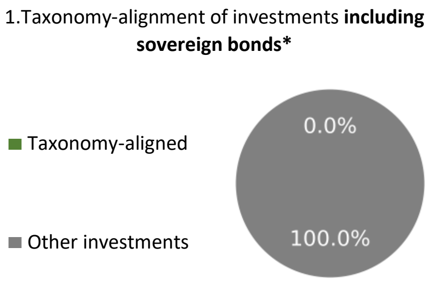
How does the use of derivatives attain the environmental or social characteristics promoted by the financial product?

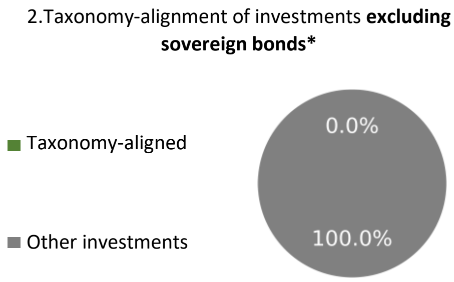
The ESG characteristics promoted by the Sub-Fund are implemented within the stock and government bond selection. Listed derivatives on Equity markets are mainly used in order to hedge the market risk embedded in stock picking. It means that it does not alter but strenghten the ESG characteristics of the product. On Fixed Income markets, the use of listed derivatives will be restricted to the ESG universe (out of balcklisted, "severe" or "high" ESG risk countries) in order to reach the risk/return objectives of the product. By the end, currency swaps will be used in order to hedge the currency risk generated by stock and bond picking.

To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?

The Sub-Fund does not currently commit to invest in any "sustainable investment" within the meaning of the EU Taxonomy. However, the position will be kept under review as the underlying rules are finalised and the availability of reliable data increases over time.

The two graphs below show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the Taxonomy-alignment of sovereign bonds*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.





* *For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures*

What is the minimum share of investments in transitional and enabling activities?

As the Sub-Fund does not commit to invest in any "sustainable investment" within the meaning of the Taxonomy Regulation, the minimum share of investments in transitional and enabling activities within the meaning of the Taxonomy Regulation is therefore also set at 0%.

What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?

The Sub-Fund promotes environmental and social characteristics but does not commit to making any sustainable investments. As a consequence, the Sub-Fund does not commit to a minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy.

What investments are included under "#2 others"/"#2 Not sustainable", what is their purpose and are there any minimum environmental or social safeguards?

Few issuers may not be covered by the ESG Analysis while cash management is used for liquidity and passive management purposes. Then the Sub-Fund may include derivatives and cash positions (which are not aligned with the E/S characteristics) as well as securities of issuers that are neither aligned with the Sub-Fund's E/S characteristics nor qualify as sustainable (but do meet the E/S safeguards defined in the UN Guiding Principles on Business and Human Rights).

(f) Monitoring of environmental or social characteristic

The environmental or social characteristics and the sustainability indicators are monitored by the portfolio managers through their Portfolio Management Systems and by the Risk department through their dedicated tools. The indicators are then reported in different forms such as monthly factsheets and dedicated SRI label reports.

(g) Methodologies

Ostrum applies an exclusion policy of controversial issuers thanks to sectorial and exclusion policies and controversies management. This exclusion policy represents a major pillar in the global ESG Ostrum policy and specifically for the methodology which aims at attaining environmental and social characteristics.

The second pillar is around the ESG integration applied by Ostrum by leveraging different ESG data providers which reinforces this methodology through different controls of E/S characteristics for the different regulations or contractual agreements (SFDR article 8; SRI accreditation, ...).

For the article 8 products which are SRI accredited, the control undertook by Ostrum for the SRI accreditation allows to:
- for the funds with an average score methodology, make sure that the average ESG score of the portfolio is above to the investment universe filtered of the worst 20% issuers in terms of ESG (including the most controversial issuers defined by Ostrum in its sectorial and exclusion policies and the bottom issuers); - for the funds with an exclusion methodology, make sure that the investments are done on an universe reduced of the 20% bottom issuers (this 20% includes the most controversial issuers defined by Ostrum in its sectorial and exclusion policies and the bottom issuers)
- make sure that the portfolio overperforms its filtered investment universe defined by the SRI accreditation framework on the E/S indicators if these indicators are the ones to overperform (for instance: carbon intensity, government spending on health and education)

For the article 8 products which are not SRI accredited, Ostrum defined an approach allowing that the average ESG score of the portfolio is better that the investment universe one while ensuring a minimal threshold of the ESG portfolio coverage.

Beyond these two processes, there is a control of ESG contractual constraints which allows to ensure the attainment of E/S characteristics (for instance, decrease of intensity carbon, ESG overperformance of the portfolio vs. its investment universe).

(h) Data sources and processing

The data are sourced from different data providers such as Trucost, MSCI, Vigeo, Sustainalytics and SDG Index and are the integrated in the Ostrum IT Systems. The data are mainly estimated, and a few is directly sourced from issuers.

https://www.spglobal.com/esg/trucost
https://www.msci.com/
https://www.moodys.com/
https://www.sustainalytics.com/
https://www.sdgindex.org/

(i) Limitations to methodologies and data

The methodology could lead to an under-representation of certain sectors due to a poor ESG score or else through the sectorial and exclusion policies.
For the data, the limitation is around the periodical updates done by the providers which could not reflect events that took place after the updates (and such events could lead to a change of data)

(j) Due diligence

The process is based on a review and a systematic validation of ESG criteria described in the documentation.

For the SRI accredited funds, the validation carries on an internal document (SRI clause) and on the legal documentation of the fund. An external certifier officially validates the consideration of the SRI specifications of the accreditation and the legal documentation after having performed an audit when the accreditation is requested.

For the non-accredited article 8 funds, it is carried on precontractual documents based on the information in the prospectus document.

The Risk department is in charge of the right application of the ESG strategy and ensures a continuous control of the ESG constraints for the article 8 funds, accredited or not. They participate in SRI accreditation and annual audits to make sure the accreditation criteria are well considered.

(k) Engagement policies

Is engagement part of the environmental or social investment strategy?
Yes No ☒ ☐

If so, what are the engagement policies? (Including any management procedures applicable to sustainability-related controversies in investee companies)
https://www.ostrum.com/fr/nos-politiques-dengagement

(l) Designated reference benchmark (if applicable)

Is a specific index designated as a reference benchmark to meet the sustainable investment objective?
Not applicable.

How does the reference benchmark take into account sustainability factors in a way that is continuously aligned with the sustainable investment objective?
Not applicable.

How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?
Not applicable.

How does the designated index differ from a relevant broad market index?
Not applicable.

Where can the methodology used for the calculation of the designated index be found?

Not applicable.

(m) Additional Information

https://www.im.natixis.com/en-intl/funds

Disclaimer : This document is issued to disclose sustainability-related information on this product, in relation to the Article 10 of the EU Sustainable Finance Disclosure Regulation (SFDR). Please refer to the prospectus of the fund and to the KIID before making any final investment decisions.